

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



June 16, 1981

ALL-COUNTY INFORMATION NOTICE I-74-81

TO: ALL COUNTY WELFARE DIRECTORS

ATTENTION: AFDC QUALITY CONTROL STAFF

SUBJECT: REVIEW OF AFDC PAYMENT ADJUSTMENTS RECEIVED IN THE REVIEW MONTH

REFERENCE:

Currently, Quality Control (QC) reviews to the correctness of the review month's payments authorized on or before the 16th of the month, the sample selection date. Any review month's adjustment authorized after the sample selection is disregarded and is not recorded in Item R, boxes 49-52 of the QC Review Schedule. Prior month's adjustments, authorized on or before the 16th of the review month, are included in the total aid paid to the case in the review month, and accepted by QC as correct. Effective immediately, review procedures regarding the treatment of payment adjustments, as referred to in ACL No. 80-25, dated 4/23/80, are modified as follows:

A. Prior Month's Adjustments

All payment adjustments should be included in the total aid paid a case irrespective of when they were authorized, so long as they were received in the review month, and represent an adjustment for a prior month. QC should continue to accept payment adjustments as correct.

EXAMPLE: The review month is June 1981. The case is budgeted a grant of \$350. Authorizing action is taken on June 18, 1981 to adjust the case: 1) \$50 to reflect an underpayment adjustment for May 1981; and 2) \$91 to reflect the addition of another eligible person to the FBU for June 1981. The payment adjustments were received by the FBU in June 1981. QC will record in Item R, boxes 49-52 of the QC Review Schedule, \$400. This represents the amount originally authorized to the case prior to sample selection, and the prior month's adjustmental payment received in the review month. QC will review to the correctness of the \$350 payment. The \$91 is disregarded as it reflects an adjustment for the review month authorized after the 16th of the review month.

B. Review Month's Adjustments

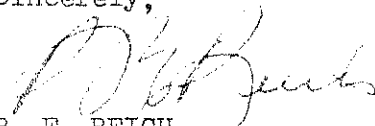
Adjustments for the review month authorized after the sample selection date, the 16th of the month, will be included in the total aid paid to the case in the review month only if they are the result of a delay in the State's approval of cost-of-living increases for AFDC recipients.

EXAMPLE: The review month is August 1981. The case is budgeted a grant of \$350. State approval of the cost-of-living increases for AFDC recipients was delayed making it necessary to issue adjustmental payments to eligible cases. Authorizing action is taken on August 18, 1981 to adjust the case: 1) \$50 to reflect the cost-of-living increase due the case for July 1981; and 2) \$50 to reflect the cost-of-living increase due the case for August 1981. The payment adjustments were received by the FBU in August 1981. QC should record in Item R, boxes 49-52 of the QC review schedule, \$450. This represents the amount originally authorized to the case prior to sample selection, the prior month's adjustmental payment for July 1981 received in the review month, and the cost-of-living adjustment for the review month received in the review month. QC will review to the correctness of the \$400 aid paid for August 1981.

The preceding does not change previous instructions contained in ACL 80-25, dated April 23, 1981, pertaining to the application of underpayment and overpayment adjustments, and supplemental payments made under EAS Section 44-316 to the budgeted needs determined by QC.

If you have any questions, please contact the appropriate quality control regional or district office per All County Information Notice I-133-79.

Sincerely,


R. E. REICH
Deputy Director
Planning and Review Division

cc: CWDA